

Missouri Division of Credit Unions

Insurance Agency and Brokerage Activities

The following is a brief summary of Missouri chartered credit union's powers to conduct insurance agency and securities brokerage activity. Various sections of RSMo.370.070 - 071 permits credit unions to engage in these activities.

INSURANCE AGENCY

Credit unions can sell all types of insurance including contracting for group policies on behalf of the members. In addition to direct sales, credit unions may contract with third parties, which can sell all types of insurance. These activities are also authorized for credit union service organizations (CUSO) under 4CSR 100-2.085 (4)B.

When insurance is sold to credit union members both directly and through a third party, Missouri law may require insurance agency licenses to be held by the credit union as well as any affiliates or subsidiaries. Additionally credit unions should always verify that each individual agent selling insurance from the credit union's premises is appropriately licensed. Credit unions should contact the Missouri Department of Insurance for licensure requirements.

SECURITY BROKERAGE

Credit unions and CUSOs are authorized to offer direct discount brokerage services to members. Additionally credit unions may contract with third parties to offer such services. These contracts may be subject to certain insider and related party restrictions.

In any situation in which a credit union or it's affiliate wishes to offer securities products to members, either directly or by entering into a contract with a third party for such sales, the credit union or affiliate may need to be licensed by or registered with the Missouri Securities Commission and the U.S. Securities and Exchange Commission. In addition each credit union and it's affiliate should always be careful to verify that each agent making sales of securities is properly licensed and registered. Credit unions should contact the Missouri Secretary of State office- Securities Division for details.
